

**BEFORE THE TENNESSEE REGULATORY AUTHORITY  
NASHVILLE, TENNESSEE**

**JANUARY 5, 2000**

ORIGINAL

**IN RE:**

**BELLSOUTH TELECOMMUNICATIONS, INC.  
TARIFF FILING TO INTRODUCE TOLL FREE  
DIALING SERVICE**

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**DOCKET NO. 99-00683**

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**ORDER APPROVING TARIFF TO  
INTRODUCE TOLL FREE DIALING SERVICE**

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This matter came before the Tennessee Regulatory Authority ("Authority") at a regularly scheduled Authority Conference held on October 12, 1999 for consideration of Tariff No.99-00683 filed by BellSouth Telecommunications, Inc. ("BellSouth") on September 15, 1999 to introduce Toll Free Dialing Service. BellSouth originally proposed to introduce Toll Free Dialing (TFD) Service in Tariff 99-00406 filed on July 23, 1999. During deliberations on that tariff at the August 10, 1999 Authority Conference, the Directors acknowledged the benefits of TFD Service. Nonetheless, the Directors voted unanimously to deny the tariff on the ground that the proposed termination provisions unreasonably exceed anticipated costs or damages identified with terminating TFD Service. The Directors concluded that BellSouth had failed to demonstrate through cost justification that the proposed termination charges bore any reasonable relationship to foreseeable damages resulting from a customer's breach of a tariff term plan.

**FILE**

BellSouth re-filed the instant tariff to provide TFD Service on September 15, 1999. Upon considering this matter at the October 12, 1999 Authority Conference, the Directors voted unanimously to approve the tariff. Based upon careful consideration of the tariff filing, the Authority concluded the following:

1. The purpose of this tariff is to introduce TFD Service for business subscribers. As a result of this tariff, BellSouth subscribers will have the ability to enter into term plans in order to receive additional discounts.

2. Termination charges are imposed if a subscriber prematurely terminates a plan for TFD Service. Although BellSouth has proposed charges for a customer's early termination of a term commitment, the newly proposed termination provisions result in charges that are significantly lower than those previously denied. Whereas the previous termination provision required a 100% buy-out of the remaining service term, regardless of the length of service previously provided and irrespective of whether BellSouth had any unrecoverable costs remaining, the newly proposed TFD termination provisions require the following:

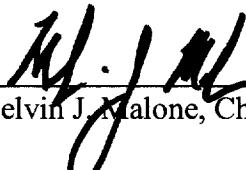
Upon cancellation by the customer of a specified term plan, the customer will be billed an amount equal to the difference between the actual billing received by the customer with the local discount and the billing the customer would have received without the local discount, during the shortened term of the customer's service (up to a maximum of 12 months).

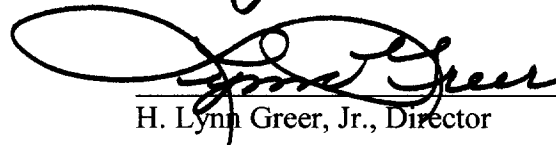
This revision allows BellSouth to seek restoration of the discounts it has extended to the customer due to the term plan; such recovery of discounts is limited to twelve (12) months. Furthermore, through this revision, BellSouth is not attempting to recover any charges for services it has not yet provided.

The Directors concluded that TFD Service would be beneficial to consumers by providing a competitive service with a reasonable termination provision that is not counter to the public interest.

**IT IS THEREFORE ORDERED THAT:**

BellSouth Telecommunications, Inc.'s Tariff to Introduce Toll Free Dialing Service, Tariff No. 99-00683 is approved.

  
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Melvin J. Malone, Chairman

  
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H. Lynn Greer, Jr., Director

  
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Sara Kyle, Director

ATTEST:

  
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K. David Waddell, Executive Secretary